SLS 061ES-30 REENGROSSED

First Extraordinary Session, 2006

SENATE BILL NO. 9

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BY SENATOR BOASSO AND REPRESENTATIVE K. CARTER AND SENATOR MOUNT AND REPRESENTATIVES DORSEY AND SALTER AND SENATORS ADLEY, AMEDEE, BAJOIE, BARHAM, BROOME, CAIN, CHAISSON, CHEEK, DARDENNE, DUPLESSIS, DUPRE, ELLINGTON, FONTENOT, B. GAUTREAUX, N. GAUTREAUX, HINES, HOLLIS, JACKSON, KOSTELKA, LENTINI, MALONE, MARIONNEAUX, MCPHERSON, MICHOT, MURRAY, NEVERS, QUINN, ROMERO, SCHEDLER, SHEPHERD, SMITH, THEUNISSEN AND ULLO AND REPRESENTATIVE JEFFERSON

FLOODS/FLOODING. Constitutional amendment to provide for the establishment of regional flood protection authorities. (2/3 - CA13s1(A))

A JOINT RESOLUTION

2 Proposing to amend Section 38(A)(1) and Section 39(A) and to add Section 38.1 of Article 3 VI of the Constitution of Louisiana and to redesignate the title to Part III of said Article, relative to flood protection; to provide for the establishment of regional flood 4 5 protection authorities and its governing authority, powers, duties, functions; to provide for the governing authority of levee districts within the territorial jurisdiction 7 of a regional flood protection authority; to provide for taxing authority; and to 8 specify an election for submission of the proposition to electors and provide a ballot 9 proposition. 10 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members 11 elected to each house concurring, that there shall be submitted to the electors of the state, for their approval or rejection in the manner provided by law, a proposal to amend Section 12 13 38(A)(1) and Section 39(A) and to add Section 38.1 of Article VI of the Constitution of 14 Louisiana and to redesignate the title to Part III of said Article, to read as follows: PART III. LEVEE DISTRICTS 15 AND REGIONAL FLOOD PROTECTION AUTHORITIES 16 §38. Levee Districts 17

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Section 38.(A) Retention; Reorganization; Consolidation. Levee districts as organized and constituted on January 1, 1974 shall continue to exist, except that

(1) The legislature may provide by law for the consolidation, division, or reorganization of existing levee districts or, may create new levee districts, or may establish regional flood protection authorities as authorized by Section 38.1 of this Part. However, except for the board of commissioners of a regional flood protection authority the members of the board of commissioners of a district heretofore or hereafter created shall be appointed or elected from among residents of the district, as provided by law.

## §38.1. Regional flood protection authorities

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Section 38.1.(A) Establishment. (1) The legislature by law may establish regional flood protection authorities and provide for its territorial jurisdiction, regions within the authority, governing authority, powers, duties, and functions for the purpose of constructing and maintaining levees, levee drainage, flood protection, and hurricane flood protection within the territorial jurisdiction of the authority, and for all other purposes incidental thereto. Each authority shall be governed by a board of commissioners which shall also be the governing authority of each levee district within the territorial jurisdiction of the authority.

(2) The legislature, by law, may include within territorial jurisdiction of the regional flood protection authority one or more parishes or portions of parishes which are included in one or more levee districts that are not included within territorial jurisdiction of the authority. The inclusion of such parishes or portions of parishes shall not affect the authority of the respective levee district (a) to levy taxes in such areas nor prohibit the levy of taxes provided for in this Section in such areas, (b) to employ and provide for its employees, or (c) to own, construct, and maintain its property.

(B) Authority-wide Tax. In addition to the taxes authorized to be levied

by any levee district situated within the territorial jurisdiction of a regional flood protection authority, the board of commissioners of the authority may levy annually a tax on the dollar of the assessed valuation of all taxable property situated within the territorial jurisdiction of the authority. The necessity and the levy and rate of the tax, or any increase thereof, shall be submitted to the electors within the authority, and the tax or increase shall take effect only if approved by:

(1) a majority of the electors voting thereon within that authority, and
(2) each of the parishes in that authority, by a majority of the electors
voting thereon in each parish, in an election held for that purpose.

(C) Notwithstanding the provisions of Article VII, Section 10.2(D) of this Constitution, the legislature may appropriate up to five hundred thousand dollars annually to regional flood protection authorities from the Coastal Protection and Restoration Fund.

- (D) Obligation of Contract Affirmed. No action taken under this Section shall impair the obligation of outstanding bonded indebtedness or of any other contract of a levee district.
- (E) The phrase "levee district" when used in Sections 40 and 41 of this

  Part and in Articles VII and IX of this Constitution shall include regional flood

  protection authorities.
- §39. Levee District Taxes

Section 39.(A) District Tax; Millage Limit. For the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the governing authority of a levee district existing on the effective date of Section 38.1 of this Part, or created thereafter outside of the territorial jurisdiction of the regional flood protection authority, may levy annually on the dollar of the assessed valuation of all taxable property situated within the alluvial portions of the district subject to overflow a tax not to exceed five mills or the maximum millage authorized for such district

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as of the effective date of Section 38.1 of this Part, except that the Board of Levee Commissioners of the Orleans Levee District, or its successor, which may levy annually a tax not to exceed two and one-half mills or the maximum millage authorized for such district as of the effective date of Section 38.1 of this Part, on the dollar of the assessed valuation of all taxable property situated within the alluvial portions of the district subject to overflow. In no event shall a district existing on the effective date of Section 38.1 of this Part levy a millage, without voter approval, which is in excess of the maximum authorized millage as of December 31, 2005.

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Section 2. Be it further resolved that this proposed amendment shall be submitted to the electors of the state of Louisiana at the statewide election to be held on September 30, 2006.

Section 3. Be it further resolved that on the official ballot to be used at said election there shall be printed a proposition, upon which the electors of the state shall be permitted to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall read as follows:

To authorize the legislature to establish regional flood protection authorities and provide for its governing authority, powers, duties, and functions, for the governing authority of levee districts within the territorial jurisdiction of the regional authority, and authorizing ad valorem taxes subject to voter approval. (Amends Article VI, Sections 38(A)(1) and 39(A) and adds Article VI, Section 38.1)

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jerry J. Guillot.

# **DIGEST**

<u>Present constitution</u>, relative to levee districts, authorizes the legislature to provide by law for the consolidation, division, or reorganization of existing levee districts or create new levee districts.

<u>Proposed constitutional amendment</u> retains <u>present constitution</u> and additionally authorizes the legislature to establish regional flood protection authorities as authorized in <u>proposed</u>

#### constitutional amendment.

<u>Present constitution</u> requires that the members of the board of commissioners of a district heretofore or hereafter created be appointed or elected from among residents of the district, as provided by law.

<u>Proposed constitutional amendment</u> retains <u>present constitution</u>, but provides that the district residence requirement shall not apply to any levee district within the territorial jurisdiction of a regional flood protection authority.

<u>Proposed constitutional amendment</u> authorizes the legislature, by law, to establish regional flood protection authorities for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection and provide for its territorial jurisdiction, governing authority, powers, duties, and functions.

Authorizes the legislature, by law, to include within the territorial jurisdiction of an authority one or more parishes a portion of parishes which are included in one or more levee districts which are not included in the authority. However, this inclusion shall not affect the authority of such levee districts (a) to levy taxes in the included area nor prohibit the levy of taxes provided for in the <u>proposed constitutional amendment</u>, (b) to employ and provide for its employees, or (c) to own, construct, and maintain its property.

Provides that the governing authority of an authority may levy annually a tax on the dollar of the assessed valuation of all taxable property situated within the territorial jurisdiction of the authority. Requires that the necessity and the levy and rate of the tax, or any increase thereof, be submitted to the electors within the authority, and provides that the tax or increase shall take effect only if approved by (a) a majority of the electors voting thereon within the authority and (b) each of the parishes in the authority, by a majority of electors voting in each parish, in an election held for that purpose.

<u>Present constitution</u> establishes the Wetlands Conservation and Restoration Fund and provides that the money in the fund may be appropriated for purposes consistent with the Wetlands Conservation and Restoration Plan developed by the Wetlands Conservation and Restoration Authority, or its successor. Further, no appropriation shall be made from the fund inconsistent with the purposes of the plan. <u>Proposed constitutional amendment</u> (Act 69 of 2005 1ES) pending vote of electorate on September 30, 2006, redesignates the fund as the Coastal Protection and Restoration Fund and provides that the money in the fund may be appropriated for purposes consistent with the Coastal Protection Plan developed by the Coastal Protection and Restoration Authority, or its successor. Further, no appropriation shall be made from the fund inconsistent with the purposes of the plan.

<u>Proposed constitutional amendment</u> provides that notwithstanding Art. VII, Sec. 10.2(D) of the Constitution, the legislature may appropriate to regional authorities up to \$500,000 annually from the Coastal Protection and Restoration Fund.

<u>Proposed constitutional amendment</u> provides that no action taken under <u>proposed constitutional amendment</u> shall impair the obligation of outstanding bonded indebtedness or of any other contract of a levee district.

## <u>Present constitution</u> provides that:

- 1. Subject to State Bond Commission approval, the governing authority of a levee district may fund the proceeds of its taxes or other revenues into bonds or other evidences of indebtedness; with proceeds therefrom being used for the levee district purposes or for funding or payment of any outstanding indebtedness; provided that such bonds be sold as provided by law. (Art. IV, Sec. 40)
- 2. The governing authority of any levee district may cooperate with the federal

government in constructing and maintaining levees in this state, under terms and conditions provided by the federal authorities and accepted by the governing authority. (Art. IV, Sec. 41)

3. Except for transfers provided for in Terrebonne Parish, lands and mineral interests of a levee district shall not be lost by prescription. (Art. IX, Sec. 4)

<u>Proposed constitutional amendment</u> provides that when "levee district" is used in Article VI, Secs. 40-41 and in Articles VII and IX of the Constitution, it includes a regional flood protection authority.

<u>Present constitution</u> provides that for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the governing authority of a levee district may levy annually a tax not to exceed five mills, except the Board of Levee Commissioners of the Orleans Levee District, which may levy annually a tax not to exceed two and one-half mills, on the dollar of the assessed valuation of all taxable property situated within the alluvial portions of the district subject to overflow.

<u>Proposed constitutional amendment</u> provides that for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the governing authority of a levee district existing on the effective date of <u>proposed constitutional amendment</u>, or created thereafter outside of the territorial jurisdiction of the authority, may levy annually on the dollar of the assessed valuation of all taxable property situated within the alluvial portions of the district subject to overflow a tax not to exceed five mills or the maximum millage authorized for such district as of such date, except that the Board of Levee Commissioners of the Orleans Levee District, or its successor, may levy annually a tax not to exceed two and one-half mills or the maximum millage authorized for such district as of such date. Provides that in no event shall an existing district levy a millage without voter approval, which is in excess of the maximum authorized millage as of 12/31/05.

Specifies submission of the amendment to the voters at the statewide election to be held on September 30, 2006.

(Amends Const. Art. VI, Sec. 38(A)(1) and 39(A) and adds Const. Art. VI, Sec. 38.1)

# Summary of Amendments Adopted by Senate

### Senate Floor Amendments to engrossed bill.

- 1. Authorizes multiple regional authorities.
- 2. Removes authorization for regions.
- 3. Specifies authority of levee districts not included within an authority when one or more of its parishes or parts of parishes are included within the authority.
- 4. Removes region-wide tax and specifies that authority-wide tax must be approved by majority of electors voting in an election held in the authority <u>and</u> in each of the parishes of the authority.
- 5. Changes election date <u>from April 29,2006, to September 30, 2006.</u>